

# NEWS RELEASE

**OFFICE OF THE UNITED STATES ATTORNEY  
SOUTHERN DISTRICT OF ILLINOIS**

**RONALD J. TENPAS  
UNITED STATES ATTORNEY**

---

*Nine Executive Drive, Fairview Heights, Illinois 62208, Telephone (618) 628-3700*

---

***For Immediate Release***

***MAY 7, 2004***

Ronald J. Tenpas, United States Attorney for the Southern District of Illinois, announced today that on May 7, 2004, **TERRY HARMS**, of Red Bud, Illinois, pled guilty to the federal offense of Bank Fraud in violation of Title 18, United States Code, Sections 1344.

The Bank Fraud offense carries a maximum statutory penalty of up to thirty (30) years imprisonment, a fine of up to \$1,000,000 and up to five (5) years supervised release. Sentencing has been set for July 23, 2004.

**TERRY HARMS**, while the office manager for Hampton Hentscher Ford Mercury, Inc., in Red Bud, Illinois, executed a scheme to defraud the First State Bank of Red Bud and the First Bank of Red Bud in obtaining floor plan financing loans. **TERRY HARMS** obtained floor plan loans and falsely represented that the collateral provided for the loans was not subject to other claims. **As part of the plea, TERRY HARMS** admitted that he falsified entries into the books and records of the dealership which falsely represented the financial condition of the dealership; had not obtained the consent and approval of the owners of Hampton Hentscher Ford Mercury, Inc. to obtain the floor plan loans; and had caused a total loss in excess of \$1,000,000.

The successful prosecution is the result of an investigation conducted by the United States Secret Service and the Federal Bureau of Investigation. The prosecution of the case is being handled by Assistant United States Attorney Norman R. Smith.